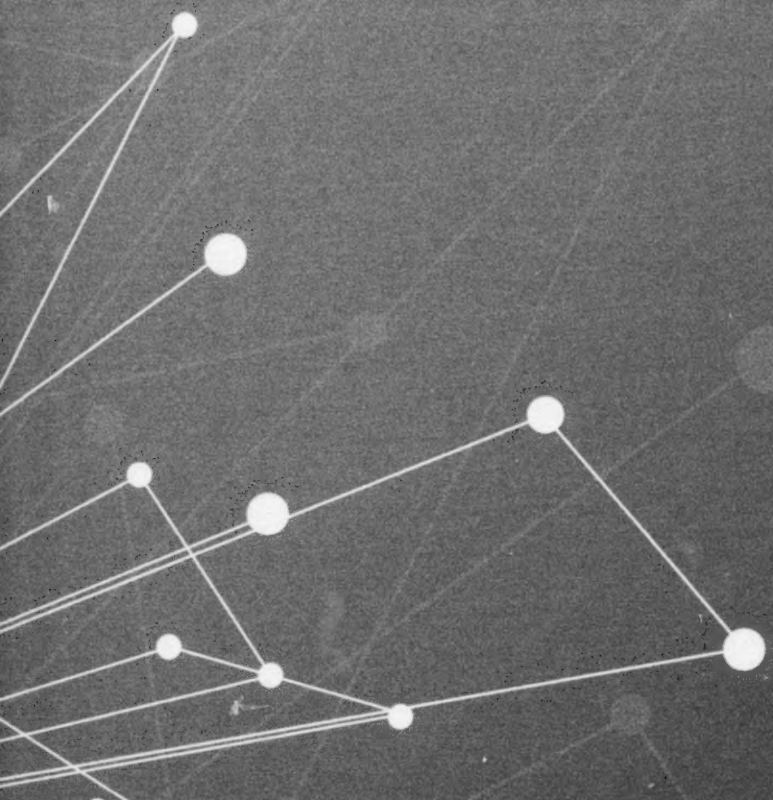
Innovation, Science and Economic Development Canada
Innovation, Sciences et Développement économique Canada

STRATEGIC INNOVATION FUND

STREAM 4

STATEMENT OF INTEREST GUIDE



Canada

Contents

Overview 3

Completing the Statement of Interest Form 4

Lead Applicant information 4

Authorized Proposal Contact 5

List of Partners 5

Lead Applicant and Partners Profile 5

Proposal and Benefits 6

Estimated Costs 9

Estimated Sources of Fund 9

Financial Information 9

Annex A—Technology Readiness Level Scale 10

This publication is available online at https://www.canada.ca/en/innovation-science-economicdevelopment/programs/strategic-innovation-fund/innovation-funding/applicationtoolkit/statement-of-interest.html.

To obtain a copy of this publication, or to receive it in an alternate format (Braille, large print, etc.), please fill out the Publication Request Form **or contact:**

Web Services Centre
Innovation, Science and Economic Development Canada
C.D. Howe Building
235 Queen Street
Ottawa, ON K1A 0H5
Canada

Telephone (toll-free in Canada): 1-800-328-6189
Telephone (international): 613-954-5031
TTY (for hearing impaired): 1-866-694-8389
Business hours: 8:30 a.m. to 5:00 p.m. (Eastern Time)
Email: ISED@Canada.ca

Permission to Reproduce

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from the Department of Industry, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that the Department of Industry is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced, or as having been made in affiliation with, or with the endorsement of, the Department of Industry.

For permission to reproduce the information in this publication for commercial purposes, please fill out the Application for Crown Copyright Clearance **or contact the Web Services Centre mentioned above.**

© Her Majesty the Queen in Right of Canada, as represented by the Minister of Industry, 2017.
Cat. No. lu37-7/3-2018E-PDF
ISBN 978-0-660-26782-1

Aussi offert en français sous le titre *Fonds stratégique pour l'innovation : Guide de déclaration d'intérêt*.

Overview

The Strategic Innovation Fund (SIF) seeks to support projects and investments put forward by organizations of different sizes and from a range of sectors to encourage and accelerate the development of innovative and/or growth-oriented initiatives.

In addition to this guide, please review the Strategic Innovation Fund Program Guide for information on strategic objectives, eligibility criteria, information requirements and assessment process.

This Guide is intended for the Statement of Interest (SOI) Form of Stream 4 as described in the Program Guide.

The purpose of the SOI Form is for Applicants to:

1. provide an understanding of what the proposal, expected outcomes and benefits are; and
2. demonstrate management, technical and financial capacity to complete the proposal.

This guide is organized according to the sections of the Statement of Interest (SOI) Form and provides more detailed guidance on how to complete the Form. Fields in the Form that are self-explanatory are not referenced in this guide.

When completing the Form, Applicants are expected to complete the fields in each section or indicate if a field is not applicable.

Please limit individual answers to the space provided in the Form. Also note that the use of point form (or bulleted lists) is acceptable, provided that the information is clear.

Use the best available information at the time of completion of this Form. It is understood that the information provided in this Statement of Interest Form may be preliminary.

Completing the Statement of Interest Form

Lead Applicant information

- **Legal name of the Lead Applicant**: The name of the incorporated business or non-profit organization.
- **Operating name of the Lead Applicant**: The name under which the business or non-profit organization is publicly operating e.g., 123460 Canada Inc. may operate under Main Street Technologies.
- **Business Number**: An organization's nine-digit business number (BN). A BN is mandatory and is issued by the Canada Revenue Agency. You can register your business on the Canada Revenue Agency website.
- **Lead Applicant Location**: The complete address where the headquarters of the organization is located.
- **Date of Incorporation**: The date stated on the Lead Applicant's articles of incorporation.
- **If applicable, number of years the business was in operation before incorporation**: This is to indicate when business operations first started, if they pre-date incorporation. These are the years in which business revenue was reported in a Canada Revenue Agency tax return.
- **Is the Lead Applicant a public or private corporation?** A public corporation is one which has its shares traded on a public stock exchange. For all other companies, including not for- profit corporations, indicate private corporation.
- **Is the Lead Applicant a subsidiary? If yes, identify the parent entity and its location:** A subsidiary is a company which has a controlling interest in its shares owned by another company. Provide the legal name of the parent and head office location.
- **Brief description of the Lead Applicant's principal line(s) of business**: Describe the main sectors of activity of the organization.
- **Number of employees**: Indicate the number of full-time and part-time employees in Canada, then the total number of employees, including those working for operations outside Canada.
- **Number of employees engaged in R&D in Canada/Outside of Canada**: Indicate the number of full-time and part-time employees whose main duties are to conduct R&D activities.

- **Is the lead Applicant or are any of the partners, their directors or officers party to legal proceedings that may adversely affect the business?** Indicate if there are any current legal actions which could, directly or indirectly, affect the organization.

Authorized Proposal Contact

- Provide contact information for the person who is authorized to represent the organization and who will be the main point of contact regarding the proposal.
- If the person is not a signing officer of the organization, confirmation of that person's right to represent the organization may be required.

List of Partners

- Provide a list of organizations (a minimum of 2 and up to 15), other than the Lead Applicant, that are intended to be part of the Stream 4 proposal.
- **If applicable, confirm that the Lead Applicant and partners own, or have the rights to, the required background Intellectual Property (IP) required to complete the proposal.** The program requires that Applicants and/or partners own or hold sufficient background IP rights to undertake the proposal's activities. Costs related to the acquisition of background IP rights are not eligible under the program.

Lead Applicant and Partners Profile

- **Provide a brief summary of credentials of key management staff required as part of the proposal. Information may include relevant prior experience, education, professional designation(s), etc.** Please be brief, focussing on relevant information to demonstrate their ability to manage the proposed activities in the proposal. For large organizations where a description of the management team is more appropriate, please provide information for the key team leaders.
- **Provide a brief summary of credentials of key technical staff that will lead the work on the proposal. Information may include relevant prior experience, education, professional designation(s), scientific publications, and patents or relevant technological achievements**. Please be brief, highlighting expertise required to complete the proposal. For large companies where a description of the technical team is more appropriate, please provide information for the key team leaders.
- **Describe the Lead Applicant and main partners' (up to five) major technological achievements in the past 3 years**: Achievements can include externally visible indicators such as patents or internal technical achievements.

- **What were the Lead Applicant and main partners' (up to five) R&D expenditures for the most recent fiscal year? Describe the nature of their R&D programs**: Indicate the approximate total amount spent on R&D by the organizations in the last year. Provide a very brief overview on the type of R&D work done and the associated timeframe, in other words, an ongoing program versus a one-time initiative.

- **How have the Lead Applicant and main partners (up to five) enabled the R&D collaboration between businesses and academia?** Provide concrete examples of how the organizations have fostered R&D collaboration between businesses and academia.

Proposal and Benefits

This section is to provide a clear understanding of the proposal.

- **Proposal Title**: Provide a title for the proposal for reference purposes only. The title should provide a clear and concise description of the proposal.

- **Is this proposal for a Consortium or a Network?**

A consortium or a Network consist of a group of Eligible Recipients that may include Canadian universities, colleges, research institutes, for profit corporations (including SMEs) and/or not-for-profit entities.

For a consortium, the Lead Applicant must be incorporated pursuant to the laws of Canada, carry on business in Canada and propose to conduct industrial research and technology demonstration activities, and will be responsible to submit a project application and manage the project.

For a network, the Lead Eligible Recipient is a Network, it must be a not-for-profit organization incorporated in Canada, which would further distribute funds to research partnerships consisting of industry, academic institutions and research institutions for the purpose of co-funding collaborative research and technology development projects.

Select the **Economic Strategy Table** and the **primary Canadian industry sector** to which your proposal best relates. Also provide a **secondary Canadian industry sector** and if applicable.

- **Provide a description of the proposal,** this section should be provided in a business case format. This section should clearly describe the proposal including its objectives, outcomes and benefits. The information provided below provides guidance as to what information should be included, however applicants are encouraged to include additional information in order to accurately showcase their proposal. The description should include:

    - **Main sector(s) of activity targeted by the proposal**: Indicate in which sector(s) and/or sub-sector(s) the technology being developed will be used.

- **Objective(s) and outcome(s) anticipated**: The objectives are the reasons for undertaking the proposal and the outcomes are the anticipated results from the proposal. These should be described from the applicants' perspective, and would be applicable whether the program funding is obtained or not. This provides an understanding of how the proposal will impact the applicants and what it is trying to achieve.

- **Main R&D focus targeted by the proposal including TRL levels**: Describe the overall R&D focus of the proposal including the expected TRL levels that the technology(ies) being developed will progress through. (See annex A of this guide)

- **Main activities to be undertaken with emphasis on the development and demonstration of precommercial technologies** : Describe the main activities to be undertaken that are key to achieving the stated outcomes with emphasis on the development and demonstration of precommercial technologies. As applicable, indicate critical milestones or anticipated risks to a successful outcome.

- **Governance model:** (for networks only) Describe the major components of the government model and their relationships. This includes the network structure, responsibilities, process flows, procedures and reporting mechanisms.

- **Transformative platform technology(ies) to be moved from a laboratory environment to an operational environment**: Describe the platform technology being developed as part of the proposal and its advantages and disadvantages over the current market offering.

- **Emerging technology(ies) developed or leveraged**: If applicable, as part of your business case, describe the technology(ies) being developed or leveraged as part of the proposal.

- **Timeframe of the proposal**: Ensure that all important dates are highlighted.

- **Sustainability following the end of the funding period and plans for ongoing collaboration:** Describe how the Lead Applicant and partners intend to continue to collaborate following the completion of the proposed activities.

- **Intellectual property strategy:** Describe how the lead applicant and partners will manage the expected intellectual property developed as part of the proposal.

Benefits are a major component of the program. As such, the business case should provide a clear description of the expected benefits to Canada that will result from the successful achievement of the proposal outcomes. In the context of SIF, benefits fall within 3 broad categories: Economic, Innovation and Public. Based on the proposal outcomes indicated in the proposal description, identify the benefits that could result from those outcomes. Depending on the proposal and the Technology Readiness Level, the type and level of benefit will vary. Benefits may overlap more than one benefit category (e.g., the creation of 25 R&D positions can be considered both an Innovation and Economic benefit).

Where possible, please provide metrics with timeframes and the type of benefits anticipated, for example: increase of sales by 30% over 4 years, 3 new patent applications in 2 years.

Economic Benefits: Benefits related to increased economic activity. For example:

- Impacts on Canadian supply chain(s) and sector competitiveness
- Employment retained or created
- Private sector funding leveraged
- Increase private sector investments in R&D
- Development of new highly skilled workforce (including hiring of graduate and students)
- R&D mandate attraction
- Development and implementation of new products, processes, standards and/or services
- Market disruption potential
- Businesses to be created as part of the network
- Strategy to leverage private sectors investments (including VC) in network businesses
- Support to growth and scaling of firms

Innovation Benefits: Benefits related to technological advancements. For example:

- Establishment of new and incremental collaborations between partner institutions
- Support to R&D infrastructure
- Creation and mobilization of new intellectual property and innovation
- Skill improvement/job training initiatives including co-op and internships
- Network reach (regions served by the network)
- Network scale (number of business served both inside and outside its region)
- R&D projects to be supported by the network and targeted recipient type (SMEs, academia, etc.)
- How the network will help connect businesses and academic institutions

Public Benefits: Benefits related to the public at large. For example:

- Improvements to health, safety and security of Canadians
- Equity and diversity considerations are integrated in recipients' policies
- Environmental impact

- **Any other information that provides a better understanding of the proposal:** Input for this field is not required but it is provided to allow Applicants the opportunity to provide additional information which may assist the program officials to better understand the proposal.

    - **Provide the primary physical address where the proposal will occur**: Indicate where the main proposal work will be undertaken.

Are any of the activities of the proposal expected to be completed to occur outside of Canada? If yes, indicate the locations and proportion of the proposal activities and proposal costs expected to be incurred outside of Canada.

Estimated Costs

Provide an estimate of total proposal costs in Canadian dollars: Costs estimates are only for direct costs attributable to the proposal and required for the proposal to be completed successfully. For **Overhead** costs, insert an amount in the Statement of Interest Form equal to 55% of Direct Labour costs in order to provide an estimate for proposal financial planning purposes. Overhead costs should not exceed 15% of the total proposal cost. Complete the fields in the table that are relevant for the proposal.

Estimated Sources of Funds

The table is to provide an initial idea of how the proposal will be funded. While the status of the funding sources needs to be provided, proposal funding **does not need** to be secured at this time. Complete the fields in the table that are relevant for the proposal.

Financial Information

Attach the Lead Applicant's annual financial statements for the past 3 years. If the organization has not been in operation for 3 years, provide the financial statements for the years it has been in operation (mandatory). A minimum of one year is (typically) required. Acceptable financial statement standards include:

- audited;
- review engagement;
- notice to reader; or
- CFO attested, or by the CEO if an organization does not have a CFO.

At a minimum, an Income Statement, Balance Sheet and Statement of Cash Flows are required and should have notes attached. If unable to provide financial statements for at least one year, an Applicant may submit an explanation and a substantive funding plan to demonstrate that the organization has the financial means to support both the proposal and its business operations.

Annex A—Technology Readiness Level Scale

TRL 1—Basic principles observed and reported
Lowest level of technology readiness. Scientific research begins to be translated into applied research and development (R&D). Examples might include paper studies of a technology's basic properties.

TRL 2—Technology concept and/or application formulated
Invention begins. Once basic principles are observed, practical applications can be invented. Applications are speculative, and there may be no proof or detailed analysis to support the assumptions.

TRL 3—Analytical and experimental critical function and/or characteristic proof of concept
Active R&D is initiated. This includes analytical studies and laboratory studies to physically validate the analytical predictions of separate elements of the technology.

TRL 4—Product and/or process validation in laboratory environment
Basic technological products and/or processes are tested to establish that they will work.

TRL 5—Product and/or process validation in relevant environment
Reliability of product and/or process innovation increases significantly. The basic products and/or processes are integrated so they can be tested in a simulated environment.

TRL 6—Product and/or process prototype demonstration in a relevant environment
Prototypes are tested in a relevant environment. Represents a major step up in a technology's demonstrated readiness. Examples include testing a prototype in a simulated operational environment.

TRL 7—Product and/or process prototype demonstration in an operational environment
Prototype near or at planned operational system and requires demonstration of an actual prototype in an operational environment (e.g. in a vehicle).

TRL 8— Actual product and/or process completed and qualified through test and demonstration
Innovation has been proven to work in its final form and under expected conditions. In almost all cases, this TRL represents the end of true system development.

TRL 9—Actual product and/or process proven successful
Actual application of the product and/or process innovation in its final form or function